



High-Profile Information Technology Project Status Report

Department: Employee Trust Funds	
Project Name: Transformation, Integration, Modernization (TIM) – Benefit Administration System (BAS)	
Business Sponsor: Robert Conlin	
Date of Report: 06/08/17	Reporting for Quarter: 6/1/2017
Project Start Date: March, 2014	Planned Implementation Date: 2019
Estimated Project Cost: \$28.5M	Amount Provided Through Master Lease: Most

Project Description – Enter a brief description of the project, including the business case for it and its major deliverables.

ETF is replacing all of its legacy, custom-built line-of-business computer applications with a single, highly-integrated system from Vitech Systems Group. Vitech's V3 application is already installed at over 20 public pension funds and 30 private sector companies. It is a functioning and highly configurable system specifically designed for pension, insurance and other benefits administration.

The Benefit Administration System (BAS) project will deliver functionality in three rollouts, or phases:

Rollout 1 - Imaging, workflow, and document management - Q4, 2015 - DONE

Rollout 2 - Employer Reporting and Insurance Benefits - Q1, 2018 - IN PROGRESS

Rollout 3 - Employee Benefit Processing Q2-Q3, 2019 (estimate)

Project Funding – Please describe all sources of funding for the project, which should add up to the estimated project cost cited above.

The Project funding has been made available through Department's SEG funds and via separate budget request for project staffing and funds with funding advanced through Master Lease. Vitech's V3 BAS is a purchased system that requires extensive configuration and some customization. Major technologies are Java and Oracle Database. Most of the functionality is proprietary to Vitech.

Project Status – Determine the status for the Schedule and Budget categories below based on the guidelines on the right and described in more detail on page 2 of this document.

Insert an X in the column that best describes the status of the category. Add comments for that category as needed.

Additional comments are not required if the status is Green, but if a category has a status of Yellow or Red, describe the issues or problems and what actions the agency is taking to address them.

STATUS COLOR INDICATORS	
Green	On target as planned
Yellow	Encountering issues (e.g., Schedule or Budget over by 10% to 25%)
Red	Encountering problems (e.g., Schedule or Budget over by 25% or more)

Project Status Categories

Schedule Status

ETF is currently UAT testing part of the Rollout 2 (R2) release. There are seven UAT testing cycles and on 7/10/17 the remaining functionality will begin UAT testing with full end-to-end testing to start 9/1/17. Employer training has begun for part of the functionality and full training will begin around 9/1 for employers and around 10/1 for ETF staff. A fully integrated implementation plan is being developed, training materials created and bridges/interfaces being finalized. The biggest concern at this time is the State budget and implications on health insurance administration in the new system.

Budget Status

Green	Yellow	Red
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The contract with Vitech is a fixed cost project. The technical infrastructure has been installed at the DET data center and will utilize DET services, with some ETF equipment purchased with Master Lease or administrative funds. ETF has also negotiated with ICON, our data cleansing/integrity vendor, and has reached an agreement on the extended project cost. The budget has been updated for Rollout 2 and the new estimated cost is \$28.5M, which is still within our original budget of \$32.5M for the vendor portion of the project. ETF is planning to pay off the master lease sooner than scheduled.

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Summarize Any Completed Major Tasks or Project Phases:

Rollout 1 went successfully live on November 9, 2015. Rollout 1.5, which includes many bug fixes and an architectural framework upgrade, went live on October 10, 2016. After a few high priority bug fix releases, ETF discontinued any additional Rollout 1 or 1.5-related releases to focus fully on Rollout 2.

Summarize Any Significant Project Changes Affecting Schedule, Budget or Scope:

For each change, describe what the change involved, when it was approved, and the reasons behind the approved change. The delay of Rollout 1 shifted the Rollout 2 go-live to January 1, 2018. This shift in schedule will impact the overall project cost, but we still remain under budget at this time. ETF leadership is working to ensure that work outside of the scope of Rollout 2 is deferred until we are fully on track for our January 1, 2018 rollout.

We continue to look for ways to enhance our project plan by making it more iterative using Agile methods. For example, ETF leadership is now seeing more regular product demos.

Additional Comments or Issues (optional):

If you have any additional overall status comments about the project (e.g., project news, accomplishments, emerging challenges or risks that could affect the project), please provide them here.

ETF and Vitech are making adjustments to staffing as the project progresses. ETF just added additional application developers to focus on R2 bridging between V3 and our legacy applications. ETF and Vitech are wrapping up the remediation of the first group of findings from the AT&T security vulnerability/penetration/user authorization test for the network, databases, application and security user authorization pieces of BAS. This group of findings included all of the highest, most critical findings. This remediation will 'fix' 44 of the 84 total findings.

The BAS team, including Vitech, has begun work on our second phase of UAT. So far, testing is progressing nicely.

Project Status Category Guidelines

Schedule Status

Green – Indicates that the project or phase is on track for the targeted implementation date.

Project Status Category Guidelines
<p>Yellow – Indicates that the project or phase <u>may be falling behind</u> and analysis needs to be done to determine if the project can recover and still achieve the targeted implementation date, or if adjustments must be made to that date.</p> <p>Red – Indicates that the project or critical tasks <u>have fallen behind</u> schedule, and corrective action must be taken to still achieve the targeted implementation date or that date must be changed.</p>
<p>Budget Status</p> <p>Green – Currently on target with project budget.</p> <p>Yellow – Project is over budget by 10 to 25%.</p> <p>Red – Project is over budget by 25% or more.</p>